

**SOAH DOCKET NO. 582-23-15496  
TCEQ DOCKET NO. 2022-1553-WDW**

**APPLICATION BY URANIUM  
ENERGY CORP. FOR RENEWAL  
AND AMENDMENT OF PERMITS  
WDW423 & WDW424**

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**BEFORE THE STATE  
  
OFFICE OF  
  
ADMINISTRATIVE HEARINGS**

**URANIUM ENERGY CORP.’S  
REPLY TO GOLIAD COUNTY GROUNDWATER CONSERVATION DISTRICT’S  
EXCEPTIONS TO THE PROPOSAL FOR DECISION**

Applicant, Uranium Energy Corp. (“UEC” or “Applicant”), respectfully submits this Reply to Goliad County Groundwater Conservation District’s (“District”) Exceptions to the Proposal for Decision.

In a well-reasoned recent opinion, the Supreme Court of Texas stated that a “court’s duty is to stick to the text chosen by the rule-makers, without adding to it or subtracting from it.” *Tex. Comm’n on Env’t Quality v. Maverick Cnty.*, 642 S.W.3d 537, 546 (Tex. 2022).

As discussed in UEC’s and the ED’s Exceptions, the District’s position in this case—adopted by the ALJs—wholly upends the injection well statutory and regulatory process by imposing requirements that do not exist.

Among the many salient points addressed by the ED, she appropriately points out the following in her Exceptions:

- “The PFD declares that Commission rules do not state that an applicant is allowed to make ‘extrapolations’ or geologic interpretations of local geology. This position reflects a misunderstanding of both the Commission’s rules and the professional practice of geoscience.”<sup>1</sup>
- “The PFD . . . minimizes the significance of the completion report and the consideration of information obtained from the drilling, construction and testing of the injection well before it can be put into service for waste disposal. While 30 TAC §331.121 does establish the information that must be considered before issuing a Class I injection well

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<sup>1</sup> ED Exceptions at 3.

permit, the commission rules also contemplate that some information must be provided after the initial drilling, construction, completion and testing of the well.”<sup>2</sup>

- “No rebutting evidence was presented on the presence of a hazardous constituent in the injected fluids or native to the injection zone that might migrate out of the injection zone.”<sup>3</sup>
- “The record supports findings that the large thickness of shale above the injection interval and within the confining zone, provides extensive shale-to-shale contact along fault planes of the delineated faults to prevent vertical migration of formation fluids and/or injected fluids.”<sup>4</sup>
- “Adequate monitoring of injected fluids does not necessarily involve the installation and operation of one or more separate monitor wells. . . . The Executive Director considers it premature to require monitor wells before the permitted injection well is drilled, constructed and tested.”<sup>5</sup>
- “The obligation to review artificial penetrations in the area of review and implement corrective action is ongoing and continues after initial permit issuance. . . . There is no need to impose corrective action measures before the permitted injection wells are constructed.”<sup>6</sup>

In sum, the PFD violates the basic principle of construction espoused by the Supreme Court – rather than sticking to the text chosen by the TCEQ, the ALJs added to it and subtracted from it. The ALJs should revisit and modify their PFD to reflect the regulatory program that is before them, and the Commissioners should reject any PFD that does not grant the Permits.

Respectfully submitted,

*/s/ David Tuckfield*

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<sup>2</sup> ED Exceptions at 4.

<sup>3</sup> ED Exceptions at 6.

<sup>4</sup> ED Exceptions at 7.

<sup>5</sup> ED Exceptions at 7-8.

<sup>6</sup> ED Exceptions at 9-10.

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## **CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing document was served on the following parties as shown below on this 10<sup>th</sup> day of May 2024 as follows:

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